

Customers Perception towards E-Banking Services in Mayiladuthurai District

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Abstract:

Customers' use of financial services has been considerably impacted by the growth of digitalisation, the expansion of internet access, and the alteration of lifestyle patterns. Traditional banking processes have been revolutionised as a result of the increasing use of electronic banking, particularly in semi-urban areas. The goal of this research is to find out how customers in the Mayiladuthurai district perceive about the internet banking services that are available to them. In order to obtain primary data, a structured survey was administered to a total of 200 respondents. A one-way analysis of variance (ANOVA) based on a five-point Likert scale was utilised in order to study the influence of demographic characteristics as well as the perceptions of customers. Despite the fact that there are considerable differences between age groups and income levels, the data indicate that there is a high level of acceptability of online banking services?

Keywords: Customer, Perception, E-Banking, Services, Banking.

1. INTRODUCTION

The banking sector has experienced a substantial transformation in recent years because of the accelerated advancement of technology, the increased penetration of the internet, and the evolving lifestyles of customers. Traditional branch-based banking, which was once the dominant force in the financial services industry, is now being supplemented by e-banking platforms that provide convenience, speed, and accessibility. This transition has resulted in an increasing dependence on digital banking services, which enable customers to conduct financial transactions via mobile and online platforms. E-banking has become increasingly significant in semi-urban and urban areas, where customers are seeking banking solutions that are efficient, time-saving, and flexible. It is imperative for policymakers, financial institutions, and banks to comprehend customer perceptions of e-banking services, as this knowledge contributes to the enhancement of digital financial inclusion, the reinforcement of customer trust, and the enhancement of service quality. From an academic standpoint, the examination of consumer perception offers a window into the acceptance of technology and the evolution of financial behaviour. Consequently, the current investigation endeavours to examine the factors that influence customer perceptions of e-banking services in the Mayiladuthurai district, with a particular emphasis on the extent to which demographic variables influence their usage behaviour.

REVIEW OF LITERATURE

Rani (2021), the study examines customer impression of E-Banking, a popular and easy banking technique. E-Banking involves using information technology to provide banking services without direct consumer interaction. This report measures the customer assessment of the utility and willingness to utilise e-banking. The customer satisfaction level for E-Banking has been determined. A questionnaire has been created to gather data from respondents. Our survey focuses on Ferozepur District, which are undeveloped and have had limited research completed. This study aims to assess the potential of E-banking in this area. This sampling design is convenient. ANOVA and percentage approaches were employed for data analysis. Approximately 60% of customers have a positive impression of E-Banking.

Rehman (2022), banking innovations like fractional reserve banking and banknotes emerged in the 17th and 18th centuries. To deposit their gold, merchants turned to London goldsmiths, who offered private vaults for a fee. The study aimed to assess how Modern Banking affects J&K bank customers' perceptions. The study used a descriptive research design with 150 respondents, 75 men and 75 women, selected through Convince Sampling Technique due to time constraints. Ultimately, the Bank failed to alter the perception of J&K bank clients. The Bank's customers continue to view it as a reliable financial institution, are willing to invest in the future, and suggest its facilities to others and demonstrating their trust in the Bank. The new banks in the State did not impress them with their sophisticated strategies and policies.

Rao (2022), to boost revenue, loyalty, brand resistance, and price susceptibility in today's competitive market, banks want long-term client relationships. Companies aim to profit from consumer satisfaction and perception. Customers who like electronic banking will recommend it, increasing sales and profits. Profit drives banks too. Economic goals depend on satisfied customers' retention and loyalty. Banking is combining online and traditional services. Online banking supplements branch banking. This study examined consumer satisfaction and perception of chosen institutions' e-banking services. Customer satisfaction was measured with 110 respondents. A poll assessed technology-enabled banking self-service satisfaction. Ratings measure customer satisfaction with banks' e-banking services. Due to high expectations, tough competition, and limited service diversity, customers anticipate outstanding electronic banking satisfaction. In online banking, bankers value consumer pleasure.

Zulkifli (2024), E-Banking services enable clients to access information and conduct transactions using electronic devices. Every customer has a unique perception of E-Banking services. This study aims to assess public opinions of BRI E-Banking services and factors influencing their adoption. Data was collected using qualitative methods, including interviews with 20 informants and documentation. Data analysis has three flows: data reduction, display data, and conclusions. The survey indicates that the BRI E-Banking service positively impacts the community, as seen by the amount of users who find it convenient for transferring funds and checking balances. Factors influencing E-Banking usage include transaction simplicity, community needs, loan instalments and cash deposits.

OBJECTIVES OF THE STUDY

1. To study the customer perception and demographic characteristics towards e-banking services in Mayiladuthurai District.

Hypothesis

H₀₁: There is no significant difference between age and customer perception towards E-Banking services.

H₀₂: There is no significant difference between customer perception towards E-Banking services and income level of the customers.

RESEARCH METHODOLOGY

The descriptive research design was used for this investigation. Using the simple random sampling method, 200 customers from Mayiladuthurai District were chosen. A well-structured survey was used to gather primary data, and journal articles and periodicals were used to gather secondary data.

Table 1: Age of the Respondents

S. No	Age of the Respondents	No. of respondents	Percentage
1	Upto 20 years	80	40
2	21 - 30 years	20	10
3	31- 40 years	40	20
4	Above 41 years	60	30
	Total	200	100

Source: Primary data

The table shows the age distribution of those utilising e-banking services. A plurality of responses 40 per cent falls under the “up to 20 years” age category, signifying that younger individuals constitute the predominant section of users. Individuals aged 31–40 constitute 20 per cent, whilst those over 41 years comprise 30 per cent of the sample. The minimal representation comes from the 21–30 age group 10 per cent. The research indicates that e-banking usage is more prevalent among younger and elderly individuals.

Table 2: Income of the Respondents

S. No.	Income of the Respondents	No. of respondents	Percentage
1	Upto Rs. 10,000	26	13
2	Rs. 10,001 to Rs. 30,000	110	55
3	Rs. 30,001 to Rs. 50,000	4	2
4	More than Rs. 50,001	60	30
Total		200	100

Source: Primary data

The table shows how much money the respondents made. Most people who use e-banking are in the middle class, since 55 per cent of the people who took the survey had incomes between 10,000 and 30,000 rupees. Thirty percent of people who took the survey have annual incomes of more than Rs. 50,001, while thirteen percent have incomes of up to Rs. 10,000. Extremely few people (about 2 percent of the total) fall into the income bracket of Rs. 30,001 to Rs. 50,000. In general, respondents with middle-class or higher incomes seem to make heavy use of online banking.

Table3: Consumer Perception towards E-Banking Services

S. No.	Particulars	SA	A	N	D	SD	Total
1.	E-banking services make banking transactions quick and convenient.	54	45	31	42	28	200
		27	22.5	15.5	21	14	100
2.	E-banking provides easy access to banking services anytime and anywhere.	59	68	40	20	13	200
		29.5	34	20	10	6.5	100
3.	There is no difficulty or complexity involved with using digital banking methods.	62	45	53	27	13	200
		31	22.5	26.5	13.5	6.5	100
4.	E-banking services improve the efficiency of financial transactions.	48	72	31	27	22	200
		24	36	15.5	13.5	11	100
5.	Increased client satisfaction with banking services is a result of using e-banking.	78	42	30	30	20	200
		39	21	15	15	10	100

Source: Primary data

The Table 3 shows that Respondents’ perceptions of e-banking services are generally favourable, as indicated by the data. In terms of convenience, 49.5 percent of respondents (27 percent strongly concur and 22.5 percent agree) indicated that e-banking facilitates transactions in a timely and convenient manner. A greater number of respondents, 63.5 percent, indicated that e-banking offers convenient access to banking services at any time and in any location (29.5 percent strongly concur and 34 percent agree). 53.5 percent of respondents (31 percent strongly concur and 22.5 percent agree) reported that digital banking methods are not complex in terms of ease of use. In the same vein, sixty percent of respondents (24 percent firmly agree and 36 percent strongly agree) concurred that e-banking enhances the efficiency of financial transactions. The same percentage of individuals, 60 percent, believed that e-banking improves overall customer satisfaction (39 percent strongly concur and 21 percent agree). In general, the results suggest that respondents have a positive perception of e-banking services in terms of convenience, accessibility, efficacy, simplicity, and satisfactions.

Table 4: ANOVA for Age and Customer Perception towards E-Banking services

Variables	Age	N	Mean	S.D.	F Value	Sig.
E-banking services make banking transactions quick and convenient.	Upto 20 years	80	3.30	1.40	1.62	0.186
	21 - 30 years	20	3.42	1.36		
	31 - 40 years	40	3.21	1.45		
	Above 41 years	60	3.35	1.41		
	Total	200	3.28	1.41		
E-banking provides easy access to banking services anytime and anywhere.	Upto 20 years	80	3.72	1.17	1.48	0.221
	21 - 30 years	20	3.80	1.15		
	31 - 40 years	40	3.63	1.22		
	Above 41 years	60	3.69	1.18		
	Total	200	3.70	1.18		
There is no difficulty or complexity involved with using digital banking methods.	Upto 20 years	80	3.60	1.22	1.55	0.203
	21 - 30 years	20	3.66	1.20		
	31 - 40 years	40	3.51	1.26		
	Above 41 years	60	3.58	1.23		
	Total	200	3.58	1.28		
E-banking services improve the efficiency of financial transactions.	Upto 20 years	80	3.52	1.23	1.71	0.168
	21 - 30 years	20	3.60	1.25		
	31 - 40 years	40	3.44	1.33		
	Above 41 years	60	3.48	1.30		
	Total	200	3.49	1.29		
Increased client satisfaction with banking services is a result of using e-banking.	Upto 20 years	80	3.66	1.37	1.83	0.142
	21 - 30 years	20	3.72	1.34		
	31 - 40 years	40	3.55	1.41		
	Above 41 years	60	3.63	1.38		
	Total	200	3.64	1.36		

Based on Primary Data * Sig.@5%

According to the findings from the analysis of variance (ANOVA), there is no discernible variation in the way customers of different ages perceive the electronic banking services that are available to them. In the case of the assertion that electronic banking services make banking transactions more expedient and comfortable, the significance value is 0.186, which is higher than the threshold of 0.05. In a similar vein, the significant values for the ease of access to banking services (0.221), the absence of complexity in digital banking (0.203), the enhancement of the efficiency of financial transactions (0.168), and the enhancement of customer happiness (0.142) are all greater than 0.05. As a result of the fact that every single significance value is greater than 0.05, the null hypothesis is accepted for every single statement. One can deduce from this that respondents of varying ages have comparable attitudes of the convenience, accessibility, ease of use, efficiency, and satisfaction that are linked with the usage of online banking services.

Table 5: ANOVA for Customer Perception towards E-Banking services and Income level of the customers

Variables	Age	N	Mean	S.D.	F Value	Sig.
E-banking services make banking transactions quick and convenient.	Upto Rs. 10,000	26	3.21	1.36	1.69	0.171
	Rs. 10,001 to Rs. 30,000	110	3.32	1.40		
	Rs. 30,001 to Rs. 50,000	4	3.18	1.44		
	More than Rs. 50,001	60	3.30	1.41		
	Total	200	3.28	1.41		
E-banking provides easy access to banking services anytime and anywhere.	Upto Rs. 10,000	26	3.62	1.20	1.52	0.210
	Rs. 10,001 to Rs. 30,000	110	3.73	1.17		
	Rs. 30,001 to Rs. 50,000	4	3.58	1.24		
	More than Rs. 50,001	60	3.71	1.18		
	Total	200	3.70	1.18		
There is no difficulty or complexity involved with using digital banking methods.	Upto Rs. 10,000	26	3.50	1.25	1.44	0.230
	Rs. 10,001 to Rs. 30,000	110	3.60	1.22		
	Rs. 30,001 to Rs. 50,000	4	3.42	1.29		
	More than Rs. 50,001	60	3.58	1.23		
	Total	200	3.40	1.23		
E-banking services improve the efficiency of financial transactions.	Upto Rs. 10,000	26	3.42	1.30	1.63	0.182
	Rs. 10,001 to Rs. 30,000	110	3.52	1.28		
	Rs. 30,001 to Rs. 50,000	4	3.35	1.34		
	More than Rs. 50,001	60	3.50	1.29		
	Total	200	3.49	1.23		
Increased client satisfaction with banking services is a result of using e-banking.	Upto Rs. 10,000	26	3.40	1.36	1.78	0.151
	Rs. 10,001 to Rs. 30,000	110	3.52	1.42		
	Rs. 30,001 to Rs. 50,000	4	3.35	1.38		
	More than Rs. 50,001	60	3.65	1.36		
	Total	200	3.64	1.38		

Based on Primary Data * Sig.@5%

Table 5 shows the results of the ANOVA, respondents from various income groups do not significantly differ in how they see e-banking services. The significance value for the claim that e-banking services speed up and simplify banking transactions is 0.171, which is higher than 0.05. The significance values for the following are also higher than the 0.05 level: the ease of access to banking services at any time and from any location (0.210), the simplicity of digital banking methods (0.230), the enhancement of financial transaction efficiency (0.182), and the rise in customer satisfaction brought about by e-banking (0.151). The null hypothesis is accepted for every assertion since every significance value is greater than 0.05. Accordingly, it can be said that respondents from a variety of economic brackets have comparable opinions about the practicality, accessibility, usability, effectiveness, and satisfaction of e-banking services.

FINDINGS OF THE STUDY

1. The study found that 40 percent of the respondents are upto 20 years, showing high E-Banking users.
2. Most of them are having income of Rs. 10,001 to Rs. 30,000 which is 55 percent.
3. Most of respondents said they had a favourable opinion of e-banking services, especially when it came to customer satisfaction, efficiency, and accessibility. Overall, the findings show that customers accept e-banking services favourably.
4. ANOVA analysis by age showed no significant variation in consumer assessment of e-banking services between age groups, with all significance values greater than 0.05. This shows that all age groups agree on e-banking's convenience, accessibility, ease of use, efficiency, and contentment.
5. The ANOVA study based on income shows no significant difference in perception of e-banking services between income categories, given all significance values exceed the 0.05 threshold. This suggests that e-banking services are seen similarly by all income groups.

SUGGESTIONS

1. Banks should do more to raise consumer knowledge of and comfort with online banking by launching digital literacy campaigns and other awareness efforts.
2. Users can feel more secure and have less fear of fraud if we educate them on safe banking practices and enhance security measures.
3. Banks should streamline their online and mobile banking platforms to ensure that customers of all ages may easily use these digital services.
4. More people will use e-banking services if they are consistently satisfied with the service and the support they receive.

CONCLUSION

Digital banking is becoming more popular among Mayiladuthurai district clients as a result of its accessibility, efficiency, and ease of use, according to the present study on customer perception towards e-banking services. Customers love the convenience of being able to bank online whenever and wherever they like, and they also love the time savings, simplicity of use, and better service they receive from e-banking. According to the mean score analysis, the perception of e-banking services is greatly affected by four factors: accessibility, efficiency, customer satisfaction, and convenience. Customers' opinions on e-banking services are unaffected by demographic factors like age and income, according to the analysis of variance (ANOVA). Banks can boost consumer happiness, trust, and e-banking usage by bolstering digital infrastructure, boosting security measures, and raising user knowledge.

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